

Kentucky Real Estate NEWS

A Publication of the Kentucky Real Estate Commission

Governor Steve Beshear Appoints Tom Waldrop as Commissioner



On October 28, 2015, Governor Steve Beshear appointed Mr. R. Thomas Waldrop, Jr., to a four-year term as Commissioner of the Kentucky Real Estate Commission. Mr. Waldrop is serving his first term at the Commission, which expires on October 1, 2019.

Mr. Waldrop began his real estate career in 1976 as a sales associate. In 1977, he joined his father's (Ralph T. Waldrop, Sr.) firm and in 1978 he received his broker's license. In 1980, he became a licensed Principal Auctioneer. He earned the coveted MAI appraisal designation from the Appraisal Institute in

1988 and is a Certified General Real Property Appraiser in Kentucky and Tennessee. After serving terms as President of the Mayfield Graves County Board of Realtors, Mr. Waldrop now serves as Board Treasurer of the West KY Regional MLS, which serves 100 firms and 600 agents. Currently, Mr. Waldrop is a partner at Trifecta Real Estate Services and focuses on commercial appraisals, sales, development, management, and leasing.

Mr. Waldrop graduated from the University of Kentucky with a degree in Agricultural Economics. He is a long-time member of both KAR and NAR; Chair of the Graves County Democratic Executive Committee; Chair of the City of Mayfield's Telecommunications Authority; member of the Graves County Industrial Development Board; and the Graves County representative on the West Kentucky Regional Chamber Alliance Board.

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Kentucky
UNBRIDLED SPIRIT™

Issue No. 228, Fall 2015

Comments from the Chair

by: **Kimberly Sickles,**
Chair



On behalf of staff and appointed members of the Kentucky Real Estate Commission, I want to take this opportunity to recognize the long and distinguished service of my friend and colleague on the Commission, Mr. Jim Huff. On October 28, 2015, Jim Huff's term as commissioner of the KREC expired. Since Jim had served two consecutive four-year terms as commissioner, by state law, the Governor was prohibited from re-appointing Jim to another four-year term. As you know from our cover story in this newsletter, Jim will have a very able successor on the Commission, Mr. R. Thomas Waldrop, Jr., broker, Trifecta Real Estate Services, Mayfield, Kentucky.

Jim was originally appointed to the Commission in 1981 by Governor John Y. Brown. Although Jim has not served continuously, he has been a member of the Commission for a total of 26 years. He received appointments from seven Kentucky Governors, including: John Y. Brown, Jr., Martha Layne Collins, Wallace G. Wilkinson, Brereton C. Jones, Paul E. Patton, Ernie Fletcher, and Steve Beshear.

Jim Huff's service as commissioner has been one of achievement and tireless commitment.

His vast experience was instrumental in the success KREC has achieved in meeting its statutory responsibilities. In addition, his service to the Commission has garnered respect for his leadership and our work not only from the Governors that appointed him to the Commission, but also from licensees and consumers across the Commonwealth.

Jim began his real estate career as a sales associate in 1972. He received his broker's license in 1974, and in 1975 opened Huff Realty, based in Ft. Mitchell, Kentucky. Over the next thirty-five years, he grew Huff Realty into the second leading residential brokerage firm in the Northern Kentucky and Greater Cincinnati area. In 2006, Jim was successful in negotiating a business relationship resulting in the company's acquisition by the second largest at-home services provider in the United States, HomeServices of America, Inc., a Berkshire Hathaway affiliate.

Other career accomplishments for Jim include: Serving as a director of the Association of Real Estate Law Officials (ARELLO); being named REALTOR® of the Year in 1981 by the Kenton-Boone Board of REALTORS®; and serving as past president of the

Kenton-Boone Board of REALTORS®. One of Jim's greatest achievements as a member of the Kentucky Real Estate Commission was his vision and leadership in establishing the Kentucky errors and omissions liability insurance program, which is considered a model state program within the industry.

He has been active in many civic organizations over the years, including the Greater Cincinnati/Northern Kentucky International Airport Board; member of the Tri-County Economic Development Corporation; chairman, secretary, and board member of the Northern Kentucky Chamber of Commerce. He has served on numerous boards, including the Northern Kentucky University Foundation; Saint Elizabeth Medical Foundation; Kids Helping Kid; Forward Quest; Metropolitan Club of Northern Kentucky; Cincinnati and Northern Kentucky Fine Arts Foundation; Peoples Bank; Kentucky National Bank; and board member emeritus for Thomas More College.

Jim's advice and perspective have been an integral part of every Commission meeting. His experience and knowledge of the industry were

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Former Commissioner Jim Huff and Commissioner Bob Roberts



From the Director's Desk

By: Michael W. Wooden,
Executive Director

New Administrative Regulations Are Now in Effect!

The following new and amended administrative regulations are final and in effect as of December 4, 2015:

201 KAR 11:170 – This administrative regulation sets forth the application and approval process for real estate education schools and pre-license courses; provides the record maintenance requirements; sets the criteria for out-of-state course approval; authorizes inspections and monitoring by the Commission; sets grounds for revocation of school approval; and prohibits attempts to copy or reconstruct the real estate licensing examination. The amendments simplify the approval process for schools and course offerings; removes the requirement for third-party course approval, which will now be conducted by the Commission; and it provides a new process for reconsideration of the Commission's intent to withdraw approval.

201 KAR 11:175 – This administrative regulation sets forth the procedures and guidelines for the approval of an instructor at an approved real estate school. This regulation was amended to maintain consistency between the requirements for pre-license, continuing education, and post-license education instructor approval. Forms have been revised to allow their use for all three type of instructors.

201 KAR 11:195 – This new administrative regulation allows the Commission, after ordering a hearing, to resolve disciplinary proceedings without the necessity for a hearing, if all parties agree to settle the matter by Agreed Order.

201 KAR 11:210 – This administrative regulation establishes education standards and licensure application requirements; provides for procedure for translating and certifying diplomas and transcripts that are in a foreign language; and requires applicants for licensure to apply within 60 days of the real estate license examination. The amendments changed the entities ability to provide the translation and equivalencies certifications to any service provider with membership in the National Association of Credential Evaluation Service and removed the requirement for an official transcript to be imprinted with the institution's seal, signed by the registrar to be sent directly to the Commission by the institution, in order to allow receipt by electronic transmission.

201 KAR 11:230 – This administrative regulation establishes the continuing education (CE) requirements; sets the requirements for the mandatory six (6) hours of continuing education (CE) and the annual deadlines for compliance; changes the timeline for when CE must be completed; and provides that CE shall not be required during the first two (2) calendar years from the date of the initial sales associate license. It also sets forth the non-compliance and delinquency remedies; informal settlement process; and sets forth the requirements for approval of out-of-state courses. The amendments provide a definition of "continuing education course" and changes one (1) hour of CE to be measured by length of instruction, rather than class attendance. It also removes language that is redundant on forms that are required and now incorporated in the administrative regulation by reference.

201 KAR 11:232 – This new administrative regulation addresses Continuing Education (CE) Provider requirements, which were deleted from 201 KAR 11:230. It sets forth the application requirements, CE course curriculum, and out-of-state course approval process. It incorporates by reference the forms that are required to be used.

201 KAR 11:235 – This new administrative regulation sets forth the forty-eight (48) hour Post-license Education (PLE) requirements. It provides definitions for the key terms "Broker-affiliated Training Program" and "Initial Sales Associate License," and sets forth the approval requirements for PLE course providers, instructors, and curriculum. It also addresses the compliance and delinquency remedies, record maintenance requirements, and incorporates by reference the required forms to be used.

201 KAR 11:240 – This administrative regulation establishes the distance education requirements and criteria for approval of online and other distance education methods for pre-license, post-license, and continuing education courses. It sets forth the approval process for distance education courses and sets the criteria for the distance education course and instructor approval. The Amendment deletes the requirement that these types of courses be certified by the Association of Real Estate License Law Officials (ARELLO) or the International Distance Education Certification Center (IDECC).

201 KAR 11:460 – This administrative regulation outlines the minimum rating required of all instructors, the evaluation process, and addresses the option for instructors who receive ratings below the required minimum. It incorporates by reference the forms required to be used.



Kimberly Sickles, Chair



Dana Anderson, Vice-Chair



Bob Roberts



Tom Biederman



Tom Waldrop

KREC “HOTLINE” FAQs

Presenting Offers

By: Y. Denise Payne Wade
KREC Staff Attorney

QUESTION #1

If a licensee submits his or her client’s written offer at 5:00 p.m. on a Friday, may the listing broker refuse to present the offer to his or her seller-client until Monday morning at 9:00 a.m.?

ANSWER

The KREC decides issues like this, on a case-by-case basis, after it has reviewed and considered all relevant facts. So, a complaint should be filed, if it is believed that a licensee has failed to present, without delay, all written offers to his or her seller-client, as required by 201 KAR 11:045, which states, in relevant part, as follows:

...

Section 2. Each licensee, who represents a prospective purchaser, shall, without delay, submit all written offers to lease or purchase real estate from the licensee’s prospective purchaser-client or customer to the owner of the property or to the licensee who has entered into any written agreement with the property owner-client or customer to provide one (1) or more real estate brokerage services for the property owner-client or customer for a fee, compensation or other valuable consideration.

Section 3. Failure to comply with Section 1 or 2 of this administrative regulation shall constitute gross negligence and shall be subject to sanctions under KRS 324.160(4)(w) [now, KRS 324.160(4)(v)].

QUESTION #2

“As the listing agent with multiple offers, do I have to submit the offers to the seller in the order I received them?”

ANSWER

No. As Section 2 of 201 KAR 11:045 provides, all written offers must be submitted to the seller without delay. If a listing agent receives several offers within a relatively short period of time, then all offers received by him or her must be presented to the seller together, not separately, regardless of the order in which they were received by the agent.

Agents may never hold, conceal, or fail to submit a written offer. Moreover, agents should not wait until their seller-clients have accepted, rejected, or countered an offer before presenting to them another offer(s) that the agent has received. This, in essence, “piecemeal” approach for submitting multiple offers could not only create serious problems for an agent’s seller-client, but it could also result in disciplinary action being taken by the KREC against the agent’s license.



Seller Disclosure of Property Condition Form Applies to . . .

Recently, the Commission has received several inquiries on whether the Seller's Disclosure of Property Condition Form applies to a duplex, condominium, or other single-family residence that may be attached to a wall or a garage.



At its October 15, 2015 meeting, the Commission considered this issue and revised the former interpretation published in Newsletter Issue No. 184; Winter, 1999. As a result, the Commission has determined that the Seller Disclosure form mandated by KRS 324.360 and 201 KAR 11:350 shall be completed and signed by a seller of any *single-family residential real estate dwelling, which includes a duplex, triplex, four-plex, condominiums, townhouses, manufactured homes permanently attached to land, or any residential units otherwise conveyed on a unit-by-unit basis, even if those units are a part of a larger building or parcel of real estate containing more than four (4) residential units.* This definition allows consistency with the definition provided in KRS 324.235(1)(b) of "commercial real estate," which excludes from its definition "single-family residential units" as defined therein.

Changes to the Seller Disclosure Form are being Proposed

At the Commission meeting held on November 19, 2015, it was decided to file proposed amendments to the Seller's Disclosure of Property Condition Form. Some of those changes include: required disclosure of the Homeowner Association contact information; disclosing whether the home has been decontaminated after the home was used as a methamphetamine laboratory; disclosing if the home is located in a "hazardous" flood zone; changing the disclosure of repairs from "roof" to "roof covering;" adding a column for "not applicable," clarifying that the form is not required for new construction homes if written warranty is provided and adding date and time lines for all signature lines. There is a Public Hearing scheduled for January 26, 2015 at 9:00 a.m. at the Commission office. Written comments can be submitted to the Legal Department for inclusion in the Public Hearing Record.

Seller Disclosure of Property Condition Form Required For:

- * Standalone single-family dwelling
- * Townhouse
- * Patio or garden home
- * Manufactured home permanently attached to land
- * Duplex
- * Triplex
- * Fourplex
- * Condominium (horizontal or vertical)
- * Any residential unit conveyed on a unit-by-unit basis

(This list is for illustrative purposes only and is not an exhaustive list of single-family dwellings to which KRS 324.360 may apply.)

Practice Tip: If you think it might apply, request the seller to complete the form.

Continuing Education Deadline

DECEMBER 31, 2015

The deadline for the continuing education requirement is fast approaching and the last thing licensees want to do after paying all those Christmas bills, is pay a \$500.00 delinquent continuing education fine to the Kentucky Real Estate Commission!

Under 201 KAR 11:230, all active licensees licensed by the Commission on or after June 19, 1976, shall successfully complete six (6) hours of classroom or online continuing education courses by December 31 of each year. Of those six (6) hours, three (3) of them must be in real estate law.

In addition, an active licensee shall attend a Commission-approved core course once every four (4) years. Taking the core course shall satisfy the licensee's mandatory continuing education requirement for the year in which the course is taken. The Commission has made it very easy for licensees to check whether it is their year to take the core course. Simply navigate to the Commission's website (krec.ky.gov) and click on the "Licensee Database." Under each licensee's record is a continuing education tab, which is individualized with each licensee's requirement. Also



included is the license number for each licensee. When signing in for a continuing education class, all licensees will need to provide his or her license number to the provider offering the course.

The Commission does not offer continuing education courses, so licensees must contact the providers directly. All of the approved continuing education providers are listed on the Commission's website. Although there is not a schedule of continuing education classes, you can view the Kentucky Core Course schedule. Always verify with the providers that the course you plan to take is approved by the Kentucky Real Estate Commission.

As a reminder, licensees who receive their license prior to January 1, 2016 are exempt from continuing education during their first calendar year of licensure. After January 1, 2016, all new licensees will be exempt from continuing education for their first two (2) calendar years, but will be subject to PLE.

If you have not signed up for your continuing education, the deadline is fast approaching and courses are filling up quickly. Don't delay!

Commissioner Waldrop Appointed

Continued from Page 1

The Kentucky Real Estate Commission has not had a commissioner from the Western Kentucky region for over two decades. The commissioners and staff are excited about the experience and knowledge Mr. Waldrop will be bringing to his new role. About his new position, Mr. Waldrop says, "It is very humbling for Gov. Beshear to entrust me with this vital position guiding our profession. I look forward to working with commissioners, staff, licensees, and the general public to promote transparency and professionalism across the many disciplines within our industry."

In his free time, Mr. Waldrop enjoys his 34 year career as a KHSAA football official; serving as Board Treasurer of Purchase Players Community Theatre; being an active member of Mayfield First United Methodist Church, where he serves as Chair of the SPRC committee; and being a Sr. High Sunday School teacher. Mr. Waldrop resides in Mayfield with his wife, LaVerne, who is the Musical Theatre teacher at Graves County High School. Their daughter, Clarke, graduated from Transylvania University and is currently working and living her dream in New York City, New York.

Commissioner Waldrop attended his first Commission Meeting on November 19, 2016. Welcome Commissioner Waldrop!

**Kentucky Real Estate Commission
Education, Research and Recovery Fund
Annual Statement of Income and Expenses
Fiscal Year Ending June 30, 2015**

Income FY 2014/2015

| | |
|------------------------|---------|
| Exam Recovery Fee | 27,270 |
| Reciprocal Recovery | 3,210 |
| Renewal Recovery | 633,930 |
| Core Course | 8,269 |
| Investment Income | 7,725 |
| Refund from prior year | 975 |

TOTAL INCOME **\$681,379**

Expenditures FY 2014/2015

| | |
|------------------------|---------|
| Personnel | 259,962 |
| Legal Services | 15,719 |
| Testing Service | 35,823 |
| Investigative Services | 88,619 |
| Speaker Fees | 23,049 |

Expenditures Continued -

| | |
|------------------------|---------|
| State Fair Expense | 1,139 |
| Postage Delivery | 284 |
| Postage Meter & Bulk | 6,844 |
| Cassettes/Books | 2,206 |
| Out of State Travel | 46,734 |
| Subpoenas/Court Fees | 160 |
| Subscriptions | 3,460 |
| Seminar Refreshments | 12,848 |
| College Grants | 138,895 |
| On-line Subscriptions | 8,534 |
| Office Rental | 19,900 |
| Educational Assistance | 3,580 |
| Storage Fees | 35,000 |
| Office Software | 7,500 |

TOTAL EXPENDITURES **\$710,256**

Annual Educator's Conference Held on October 29 - 30, 2015

The annual Educator's Conference was again very successful and highly attended. This event allows instructors from across the Commonwealth to not only develop their knowledge of real estate, but to learn new and effective teaching techniques. The conference is free to all educators and is sponsored by the Commission.

Various sessions included a "Train-The-Trainer" workshop by Sharon Tick of Fred Pryor Seminars and Career Track Training and a legal overview presented by Staff Attorney Denise Payne Wade. Other sessions included a networking activity kicked off by our very own Mary O'Wheatley and a roundtable discussion. All instructors are encouraged to attend future Educator's Conferences.

Special thanks to the entire Education and Licensing Department for their efforts in making this such a great event.



*Back row: Commissioners Dana Anderson and Kim Sickles
Front row: Instructors Beverly McMormick and Bill Cahaney*



*Education and Licensing Department
Left to Right: Kristen Reese, Rachael Carmicle,
Michelle Gary and Karen Huff*

17th Annual Half-Century Awards Luncheon

The Kentucky Real Estate Commission held its 17th Annual Half-Century Awards Luncheon on October 15, 2015, at Noah's Event Venue in Louisville, Kentucky. There were 22 licensees that were honored for their continued licensure and contributions to the real estate industry for the last 50 years. Of the 22 licensees who reached the 50-year mark, 17 were able to join the commissioners and staff for a celebration. Each honoree was given a plaque commemorating their accomplishment. Honorees, guests, and distinguished industry leaders enjoyed a luncheon, a performance by comedian Marty Polio and, of course, trading stories of how much real estate has changed over the past 50 years.

If you know one of these licensees, please be sure and congratulate them on their achievement. We applaud their dedication to the industry and the Commission was delighted to meet so many licensees in person.



Honorees & guests enjoying the program



Pictured left to right: Elaine Hangis, Harold Brantley, Leon Tarter, Norman Jones, and Al Blevins



Pictured left to right, front row: Betty Schutte, Tommy C. Glenn, C. Gary Adkinson, John H. Harralson, Floy E. Stringer, Joseph M. Mayfield, Commissioner Dana Anderson, Former Commissioner Jim Huff; middle row: Barbara T. Hunter, Lois S. Moffett, Elmer W. Jacobs; back row: Commissioner Bob Roberts, Harold Brantley, John E. Davis, Charles E. Akin, Jerry L. Meyer, J. Michael Skelton, Phillip Leigh, Sr., Joseph W. Prather, David W. Will, J. Richard Smith, Commissioner Tom Biederman, Commissioner Kim Sickles

Licensees honored, but not present: Robert J. Hundley, Tom D. Isaac, Barbara A. Morgan, Walter G. Ramey, and Denzil K. White

Commission Honors a New Group . . . “The Legends”

A brand new tradition of our 50-Year Awards Luncheon was the honoring of licensees who have held a real estate license for over 60 years. There are 13 licensees who reached this milestone; surprisingly, all of these licensees are still active today. The Commission is distinguishing this group of elite individuals by calling them the “Legends.” Each honoree received a uniquely designed lapel pin, which they can wear to recognize them for this tremendous accomplishment. Of the 13 licensees, 6 were able to join us and receive their pin in person.

Congratulations to all of these licensees for their dedication to the real estate industry.



Pictured left to right, front row: Thomas G. Ransdell, Oscar Getz, Jr., Leon Tarter, Robert D. Massey, and Leon Figa. Back row: Commissioner Bob Roberts, Former Commissioner Jim Huff, Commissioner Tom Biederman, Commissioner Dana Anderson, Commissioner Kim Sickles and J. Richard Smith Honored, but not present: Samuel H. Bennett, Charles Moore, Enrique R. Pantoja, William C. Ridge, Jr., Walter C. Wagner, Jr., Ralph T. Waldrop, David L. Waterman, and Gerald M. Whalen

BIG Changes to FBI Report Process

At its October 15, 2015 meeting, the Commission approved a new process for applicants to obtain their FBI criminal background report. Applicants can now utilize the Kentucky State Police to obtain their FBI criminal background report. This new process will eliminate the Optional Affidavit process, which was initially utilized because of long delays from the FBI. As you may be aware, it was taking up to 16 weeks for FBI criminal background reports to be returned to applicants.

To implement this new process, the Commission entered into a User Agreement with the Kentucky State Police. Under this agreement, reports will be sent directly to the Commission within 7 to 10 days of the report being requested. Applicants will be able to download the fingerprint cards directly from the Commission's website, along with the Fingerprinting Instruction Sheet. After the applicants have been fingerprinted, they will mail their fingerprint card and check directly to the Kentucky State Police. Complete instructions for this process are outlined on the Fingerprinting Instruction Sheet. Failure to complete required fields will result in the return of the form to the applicant.

Applicants are required to request their criminal background report prior to taking the real estate exam. Failure to follow this requirement will void the exam and the applicant will be required to retake the exam.



IMPORTANT DATES:

Effective November 23, 2015 – Applicants can use the Kentucky State Police process to request their FBI report. Applicants must follow the directions outlined on the Commission's website to request the report. If items are missing or incomplete, the request will be returned to the applicant for correction. These reports will be sent directly to the Commission within 7 to 10 days. Applicants will pay \$34.75 for the background report.

Effective December 15, 2015 – The Optional Affidavit process will be discontinued. All applicants for a license must have their FBI report on file with the Commission prior to submitting their application. As per KRS 324.045(5)(c), there will be no exceptions.

Kentucky Real Estate Commission

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Patricia Farris
Lucie Duncan

Administrative

Shelly Saffran
Director of Administration

Mary O'Wheatley
Tracy Delgado
Dianna Rogers

Comments From the Chair

Continued from Page 2

valued by his colleagues on the Commission. They demonstrated their confidence by electing him chairman five times. In recognition of his service, Jim's colleagues on the Commission presented him with the Kentucky Real Estate Commission's Community Service Award. This award is given as an expression of appreciation of noteworthy service and for the time and effort given in endeavors of importance to the Kentucky Real Estate Commission and to real estate professionals and consumers.

While Jim's future involvement may be in a different capacity, there is no doubt his interest and commitment to the industry and Commission activities will continue. You can be certain there will be many times that we call upon Jim for his guidance and support.

All of us at the Commission wish Jim and his wife, Bert, his two adult children, Susan and Rodney, and his six grandchildren (Jessica, Jamie, Maria, Justin, Jacob, and Emily) the very best in good health, happiness, and success in the years ahead.

Commission Employee Mary O'Wheatley Honored by First Lady Jane Beshear



On October 7, 2015, our very own Mary O'Wheatley was presented the 2015 Community Service and Volunteerism Award, during the 2015 Governor's Ambassador Awards. Created in 2008, the awards are presented to Kentucky's most generous public employees. Nominations for the awards are accepted in six different categories and there were over 150 employees nominated.

"Public servants are an amazing group," said Mrs. Beshear. "They

work day in and day out to keep vital services flowing to our citizens; they volunteer within their communities; they help out a neighbor in need; they lead by example; and they make an effort to leave Kentucky a little better. Their stories are touching and are motivation to us all."

Mary was chosen for this award for her advocacy for children, the elderly and veterans, her work with the Crusade for Children, the Dream Factory, Special Olympics, Home of the Innocents and the United Way. In addition to all of her volunteer activities, Mary also goes above and beyond at the Commission every single day for the licensees and consumers of the Commonwealth.

We are so very proud of Mary and all that she does at the Commission and in her personal life to make a positive difference in the lives of those around her.



Disciplinary Actions

**Larry Gillette**

Case No. 14-0017
(Hopkinsville)

Violation: Mr. Larry Gillette stipulated that he has violated KRS 324.160(4)(b) by marketing for sale his listing of a HUD-owned property without taking appropriate action to ensure that a large hole, of unknown origin, under the main part of the residential dwelling on same was timely disclosed to his seller-client and others interested in the property. This violation arose from Respondent Gillette's mistaken belief that he had no affirmative duty to disclose his knowledge of the defective condition, upfront, to anyone other than his seller-client, who did not complete a Seller Disclosure of Property Condition form for the listed property.

Disposition: Mr. Gillette agreed to pay a fine to the Commission in the amount of seven hundred and fifty dollars (\$750.00). Mr. Gillette also agreed to successfully complete, within six (6) months, either the Commission's 6-hour Broker Core Course or its 6-hour Kentucky Core Course.

James R. Diuguid

Case No. 14-0017
(Hopkinsville)

Violation: Mr. James R. Diuguid refutes an ultimate conclusion that he has violated KRS 324.160(6) and does not stipulate to a violation of same. He, nevertheless, concedes that

the Commission has sufficient evidence to support a finding of a violation against him. He also agrees that there is a legal basis for resolving this case pursuant to the terms of an Agreed Order such as this.

Disposition: Mr. Diuguid agreed to pay a fine to the Commission in the amount of five hundred dollars (\$500.00). By no later than six (6) months after the entry date of this Agreed Order by the Commission, Mr. Diuguid also agreed to successfully complete, within six (6) months, either the Commission's 6-hour Broker Core Course or its 6-hour Kentucky Core Course.

Charles H. Norris

Case No. 14-0010 (Lexington)

Violation: Mr. Charles H. Norris stipulated that he violated KRS 324.160(4)(t) by advertising (as a "HUD-registered selling broker") another real estate company's HUD-homes listings on Craigslist without the legal authority to do so, in violation of 201 KAR 11:105, Section 6.

Disposition: Mr. Norris agreed to pay a fine in the amount of five hundred dollars (\$500.00) and to accept a formal reprimand.

Philip Purdom

Case No. 15-0037 (Owensboro)

Violation: Mr. Philip Purdom stipulated to a violation of KRS 160(4)(t) for violating KRS 324.085 and 201 KAR 11:230

by failing to satisfy his 2014 continuing education requirements.

Disposition: Mr. Purdom agreed to pay a fine to the Commission in the amount of seven hundred and fifty dollars (\$750.00) and to successfully complete his 2014 delinquent continuing education hours within thirty (30) days from the date of the Final Order adopting the Agreed Order. He also agreed to a formal reprimand.

Melissa Bryant

Case No. 15-0029
(Bowling Green)

Disposition: Ms. Melissa Bryant stipulated to a violation of KRS 160(4)(t) for violating KRS 324.085 and 201 KAR 11:230 by failing to satisfy her 2014 continuing education requirements.

Disposition: Ms. Bryant agreed to pay a fine to the Commission in the amount of seven hundred and fifty dollars (\$750.00) and to successfully complete her 2014 delinquent continuing education hours, within thirty (30) days from the date of the Final Order adopting the Agreed Order. She also agreed to a formal reprimand.

Todd A. Simmons

Case No. 15-0038 (Prospect)

Violation: Mr. Todd A. Simmons stipulates to a violation of KRS 324.160(4)(t); specifically, KRS 324.085 and 201 KAR 11:230, by intentionally violating his agreement to

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Disciplinary Actions

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comply with the Commission's delinquency plan to satisfy his 2014 continuing education requirement.

Disposition: The status of Respondent Simmons' license shall be changed from "canceled" to "suspended for six (6) months," from the acceptance date of his Agreed Order by the Commission. Mr. Simmons shall not be allowed to activate his license after the 6-month suspension period ends unless, within ninety (90) days of the expiration of the suspension period, he first completes the current year's continuing education requirements; submits the required documents to reinstate his license; and pays all necessary renewal and transfer fees as required by KRS 324.287. If Mr. Simmons fails to reinstate his license within the ninety (90)

days following the completion of the 6-month suspension period, then his license shall be canceled and Mr. Simmons shall meet the requirements for initial licensure, including retaking the examination.

Francis D. Newton

Case No. 15-0035 (Loretto)

Violation: Mr. Francis D. Newton stipulated to a violation of KRS 324.160(4)(t) for violating KRS 324.085 and 201 KAR 11:230 by failing to satisfy his 2014 continuing education requirement. On July 22, 2015 Mr. Newton placed his license in escrow to reduce the demands on his time and agreed that he is not interested in practicing real estate brokerage in Kentucky.

Disposition: Mr. Newton's license shall be changed from "escrowed" to "suspended for six (6) months," and he shall not be allowed to activate his license after the six (6) months suspension period unless, within

ninety (90) days of the expiration of the suspension period he completes the current year's continuing education requirements, submits the required reinstatement document and pays all necessary renewal and transfer fees as required by KRS 324.287. If he failed to reinstate his license within the ninety (90) day period, his license shall be canceled and he shall meet the requirements for initial licensure, including retaking the examination.

Megan Proctor

Case No. 15-0036 (Louisville)

Violation: Ms. Megan Proctor stipulated to a violation of KRS 324.160(4)(t) for violating KRS 324.085 and 201 KAR 11:230 by failing to timely satisfy her 2014 continuing education requirement.

Disposition: Ms. Proctor shall pay a fine to the Commission in the amount of five hundred dollars (\$500.00) and she shall be issued a formal reprimand.



*Guests at the Remote Commission Meeting in Pennyryle Forest State Park Resort
Pictured left to right, front row: Karen Chiles, Dawn Crowder, and Missy Vanderpool
Back row: Charlie Collier, Ray Diuguid, Shelley Cates, Cindy McKenzie, Alice Carr, and Brien Terry*

Post-License Education Begins in Kentucky on January 1, 2016

All sales associate licensees who are issued a license after January 1, 2016, will be required to complete a forty-eight (48) hour post-license education (“PLE”) program within two (2) years of obtaining a real estate license. The new law is codified in KRS 324.085. All persons licensed prior to January 1, 2016, WILL NOT be subject to PLE.

The 48 Hour Post-License course curriculum consists of 32 Mandatory hours and 16 Elective hours. The Mandatory hours must cover the following topics as listed below:

| COURSE TOPIC | NUMBER OF HOURS |
|------------------------------|-----------------|
| Commission Compliance Course | 3 |
| Agency | 6 |
| Contracts | 6 |
| Finance | 3 |
| Advertising | 3 |
| Disclosure | 3 |
| Fair Housing | 3 |
| Technology & Data Security | 3 |
| Risk Management | 2 |

Post-License Education Q & A:

The introduction of Post-License Education in Kentucky has created many questions from both educators and licensees. Some of the common questions and answers are set forth below:

Q: Who is required to take Post-License Education (PLE)?

A: New sales associate licensees that have received and activated their real estate license after January 1, 2016. New broker licensees are not required to complete PLE. Sales associate licensees who receive their license through the license recognition process are also required to take PLE.

Q: What if a licensee immediately places a new sales associate license into escrow, do they have to take PLE?

A: Not until the new licensee activates the license from escrow. The 2-year deadline for the PLE requirement begins to run once a new sales associate licensee affiliates with a principal broker.

IMPORTANT: *Once a licensee affiliates as a new sales associate with a principal broker, the 2-year clock to complete the 48 hour requirement begins to run and cannot be paused or stopped because the licensee goes into escrow.*

Q: What happens if a licensee does not complete the 48 hours of PLE by the end of the 2-year deadline?

A: The license will be canceled.

Please visit the Education Section of the Commission website (krec.ky.gov) for more detailed information regarding the Post-License Education requirements.